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TAGS: GW, PINT, PFOR

SUBJECT: IMPLICATIONS OF A CDU/CSU VICTORY IN FRG'S
OCTOBER ELECTIONS

1. FOLLOWING IS TEXT OF INR REPORT NO. 598, DATED
SEPTEMBER 25, 1976.

2. BEGIN SUMMARY. AS THE OCTOBER 3 BUNDESTAG ELECTIONS
APPROACH, THE OPPOSITION CHRISTIAN DEMOCRATS (CDU/CSU) ARE
GIVEN AN EVEN CHANCE OF DEFEATING CHANCELLOR HELMUT
SCHMIDT'S COALITION OF SOCIAL DEMOCRATS (SPD) AND FREE
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DEMOCRATS (FDP). CDU/CSU CHANCELLOR-PRESUMPTIVE HELMUT

KOHL IS NOT A STRONG FIGURE. WHEN COMPARED WITH THE HARD-LINE CONSERVATIVE POSITIONS TAKEN BY FRANZ-JOSEF STRAUSS AND OTHERS WHO WOULD HOLD KEY CABINET POSITIONS, HIS POLICY ORIENTATION IS NOT CLEAR-CUT.

3. THE CHANCES ARE EXCELLENT THAT A KOHL ADMINISTRATION WOULD HOLD TO A STABLE COURSE ALONG FAMILIAR LINES OF COMMON US-FRG INTEREST. AFTER SEVEN YEARS IN THE OPPOSITION, THE CDU/CSU LEADERSHIP WOULD WANT TO PUT ITS OWN DISTINCTIVE BRAND ON WEST GERMAN POLICY. HOWEVER, KOHL AND

STRAUSS WOULD BE GUIDED IN PRACTICE BY CONSIDERATIONS OF INTEREST THAT HAVE DETERMINED FRG POLICIES FOR 30 YEARS, REGARDLESS OF WHICH PARTY WAS IN POWER. A KOHL ADMINISTRATION COULD BE EXPECTED TO RETAIN A BASIC POLICY FRAMEWORK THAT INCLUDES:

(A)--NATO. MOST WEST GERMANS AGREE THAT SOVIET MILITARY POWER IS ON THE INCREASE AND THAT THE US NUCLEAR UMBRELLA REMAINS INDISPENSABLE TO NATIONAL SURVIVAL. THE BUNDESWEHR ROLE IS TO MARSHAL OPTIONAL CONVENTIONAL FORCE, SO AS TO RAISE THE NUCLEAR THRESHOLD IF WAR SHOULD COME. THE CDU/CSU ASSERTS A NEED FOR MORE DEFENSE SPENDING, BUT KOHL WOULD PROBABLY KEEP DEFENSE OUTLAYS AT THEIR PRESENT LEVELS OF ABOUT ONE-THIRD OF THE FEDERAL BUDGET.

(B)--THE US. FULLY AWARE OF THE VALUE OF US SUPPORT, ESPECIALLY WHEN FACED WITH SOVIET DEMANDS, THE WEST GERMANS ARE CONSCIOUS ALSO OF THEIR VULNERABILITY IN BILATERAL RELATIONS WITH THE US. A NEW CDU/CSU GOVERNMENT MIGHT BE SOMEWHAT CONCERNED ABOUT ITS ABILITY TO REESTABLISH RELATIONS OF MAXIMUM CONFIDENCE WITH WASHINGTON AFTER SEVEN YEARS OF SPD RULE. THE KOHL-STRAUSS TEAM WOULD IMMEDIATELY SEEK US GUARANTEES THAT SOVIET-AMERICAN TALKS WOULD NOT PREJUDICE FRG POLITICAL INTERESTS OR WESTERN DEFENSE PREPAREDNESS.

(C)--FRANCO-GERMAN TIES. A KOHL-STRAUSS GOVERNMENT WOULD WANT TO CONTINUE WORKING WITH THE FRENCH ON JOINT OBJECTIVES (PARTICULARLY WITHIN THE EUROPEAN COMMUNITY

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FRAMEWORK), WHILE CONTAINING FRENCH EFFORTS TO EXERCISE HEGEMONY OVER THE EC. HOWEVER, A CDU/CSU GOVERNMENT MIGHT HAVE SPECIAL PROBLEMS RELATING TO ANY UNION OF THE LEFT GOVERNMENT IN FRANCE.

(D)--EC. A CDU/CSU GOVERNMENT WOULD FOLLOW SCHMIDT'S EX-AMPLE IN PRESSING FOR REVIEW OF THE SYSTEM OF BUDGET CONTRIBUTIONS, BUT NOT TO THE POINT OF REJECTING THE BASIC

UNDERSTANDING ON A PREDOMINANT FRG SHARE IN COMMUNITY FINANCING. IT WOULD ALSO SHARE THE INCUMBENT ADMINISTRATION'S RESERVE TOWARD THE EXPANSION OF SUPRANATIONAL DECISION-MAKING IN THE EC, BUT IT WOULD SUPPORT THE PROJECT OF A EUROPEAN PARLIAMENT TO BE DIRECTLY ELECTED IN 1978. DESPITE THESE CRITICISMS OF COMMUNITY WORKINGS, A KOHL-STRAUSS GOVERNMENT WOULD REMAIN FULLY COMMITTED TO THE EC ORGANIZATION.

4. ON REGIONAL MATTERS, THE CDU/CSU WOULD MAINTAIN THE CAUTIOUS FRG ATTITUDE TOWARD EXPANDING THE EC'S INDEPENDENT

POWER ROLE. IT WOULD NOT FAVOR THE DEVELOPMENT OF A EUROPEAN NUCLEAR ALTERNATIVE OR THE CREATION OF A EUROPEAN DEFENSE INITIATIVE THAT MIGHT WEAKEN THE ARGUMENT FOR A CONTINUED US TROOP PRESENCE IN WESTERN EUROPE.

5. THE CDU/CSU HAS BRANDED THE GOVERNMENT'S OSTPOLITIK AS EQUIVALENT TO NATIONAL BETRAYAL, AND MIGHT CLAIM THAT IT HAS A MANDATE TO REVISE OSTPOLITIK RADICALLY. HOWEVER, KOHL WOULD PROBABLY NOT BE ABLE TO FOLLOW SUCH A COURSE. UNLESS SOVIET POLICY ITSELF GREW SO RIGID AS TO PRECLUDE ANY FURTHER NORMALIZATION, THE KOHL GOVERNMENT WOULD FIND IT NECESSARY TO MAINTAIN THE MOMENTUM OF RAPPROCHEMENT IN SOME FORM. KOHL'S SIGNIFICANT ROLE IN PERSUADING HIS PARTY TO SUPPORT THE 1975 PENSION AGREEMENT WITH POLAND COULD PREFIGURE HIS INTENTION TO PURSUE A SERIES OF PRAGMATIC ARRANGEMENTS BUILDING ON THE EXISTING TREATIES WITH EASTERN EUROPE.

6. THE FRG'S CAPACITY TO PRODUCE INDUSTRIAL GOODS AND TECHNOLOGY FOR EXPORT IS THE PRINCIPAL BASIS OF A WORLDWIDE WEST GERMAN "PRESENCE" THAT DISPENSES WITH THE
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TRADITIONAL FACTORS OF POLITICAL OR MILITARY INVOLVEMENT. UNDER A CDU/CSU GOVERNMENT, THESE INTERNATIONAL TRADE INTERESTS WOULD CONTINUE TO HAVE A HIGH PRIORITY, EVEN AT THE COST OF FRICTION WITH ECONOMIC COMPETITORS WHO ARE ALSO POLITICAL ALLIES. THE NEW GOVERNMENT WOULD ATTEMPT TO FOLLOW THROUGH ON THE POTENTIAL INVESTMENT OF DEVELOPMENT CAPITAL IN THE PRC, BUT THE FRG WOULD REMAIN WARY OF BEING DRAWN INTO THE SINO-SOVIET DISPUTE.

7. AS A KOHL ADMINISTRATION BECAME MORE FIRMLY ESTABLISHED, AND BEGAN TO ASSESS THE POSSIBILITIES OF THE FRG'S ROLE, IT MIGHT BE TEMPTED TO BECOME INCREASINGLY ASSERTIVE IN ITS FOREIGN RELATIONS. THE CDU/CSU WOULD NOT WANT TO UNHINGE ANY ESSENTIAL PORTION OF THE WESTERN DIPLOMATIC OR SECURITY STRUCTURE, OR GET TOO FAR OUT IN FRONT OF ITS ALLIES. BUT

BY EXERTING GREATER POLICY LEVERAGE, THE GERMANS WOULD SURELY DISCOMFIT OTHERS, INCLUDING THEIR CLOSEST ASSOCIATES. ALTHOUGH A GROWING GERMAN ACTIVISM MIGHT GENERATE SOME INCREASE IN DIFFERENCES WITH THE US, THE FRG MIGHT ALSO BE IN A POSITION TO ACT AS A MORE EFFECTIVE EXPONENT OF WESTERN POSITIONS IN INTERNATIONAL DISPUTES THAN IN THE PAST. END SUMMARY.

8. AS THE OCTOBER 3 PARLIAMENTARY (BUNDESTAG) ELECTIONS APPROACH IN THE FEDERAL REPUBLIC OF GERMANY, THE OPPOSITION CHRISTIAN DEMOCRATS--THE CHRISTIAN DEMOCRATIC UNION (CDU) AND ITS BAVARIAN SISTER PARTY, THE CHRISTIAN SOCIAL UNION

(CSU)--ARE GIVEN AN EVEN CHANCE OF DEFEATING CHANCELLOR HELMUT SCHMIDT'S COALITION OF SOCIAL DEMOCRATS (SPD) AND FREE DEMOCRATS (FDP). THE SPD-FDP COALITION WON A MAJORITY OF NEARLY 50 SEATS IN THE NOVEMBER 1972 ELECTIONS, WHICH TURNED ON THE KEY ISSUE OF CONTINUING THE OSTPOLITIK OF THEN-CHANCELLOR BRANDT. BUT THE CHRISTIAN DEMOCRATS HAVE MADE SUBSTANTIAL GAINS IN REGIONAL ELECTIONS SINCE THEN, AND PUBLIC OPINION POLLS OVER THE PAST SEVERAL MONTHS CONSISTENTLY INDICATE AN ALMOST EVEN DIVISION IN POPULARITY BETWEEN THE GOVERNMENT AND THE OPPOSITION PARTIES.

9. THE FOLLOWING ANALYSIS FOCUSES ON THE PROSPECTS FOR
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SIGNIFICANT POLICY CHANGE UNDER A CHRISTIAN DEMOCRATIC GOVERNMENT. AFTER SEVEN YEARS IN THE OPPOSITION, THE CDU/CSU LEADERSHIP WOULD BE EAGER TO PUT THEIR OWN DISTINCTIVE BRAND ON WEST GERMAN POLICY; BUT THEY WOULD ALSO BE GUIDED BY BROAD CONSIDERATIONS OF INTEREST THAT HAVE DETERMINED THE BASIC COURSE OF THE FRG THROUGHOUT ITS EXISTENCE, REGARDLESS OF WHICH PARTY WAS IN POWER. THESE CONSIDERATIONS WOULD CONTINUE TO PRECLUDE MAJOR INNOVATIONS IN WEST GERMAN FOREIGN POLICIES.

PART I. APPROACH AND STYLE OF A KOHL GOVERNMENT

10. IF THE CHRISTIAN DEMOCRATS WIN THE ELECTIONS, THE NEW CHANCELLOR WILL BE HELMUT KOHL, THE CDU'S NATIONAL CHAIRMAN AND HEAD OF THE REGIONAL GOVERNMENT IN RHINELAND-PALATINATE. FRANZ-JOSEF STRAUSS, WHO HEADS THE CSU, WILL BE MINISTER OF FINANCE AND VICE-CHANCELLOR. A GOVERNMENT LED BY KOHL AND STRAUSS WOULD MAINTAIN THAT IT HAD BEEN GIVEN A MANDATE FOR CLEAR-CUT POLICY ALTERNATIVES TO THE SPD-FDP COALITION. ACCORDINGLY, THE NEW ADMINISTRATION WOULD TRY HARD TO PROJECT AN IMAGE OF ENERGETIC ACTIVITY, PUNCTUATED BY PROGRAMMATIC STATEMENTS ASSERTING SUPERIOR-

ITY OVER THE OUTGOING REGIME.

11. WITH KOHL'S PROVINCIAL BACKGROUND STILL DOMINATING HIS POLITICAL ATTITUDES, AND HIS LIMITED GRASP OF ISSUES FROM THE NATIONAL PERSPECTIVE, THE NEW CHANCELLOR WOULD NOT EXEMPLIFY THE AGGRESSIVENESS TYPICAL OF THE MEN HE HAS SLATED FOR KEY CABINET POSTS. RATHER, HE APPEARS TO HAVE MUCH IN COMMON WITH THE REAR ECHELON OF HIS SHADOW CABINET, CONSISTING OF PALE OR UNFAMILIAR PERSONALITIES (INCLUDING FIVE WOMEN). NOTWITHSTANDING THE MASSIVE PUBLICITY SURROUNDING HIS ELECTION CAMPAIGN (COMPLETE WITH SUCH MAKEUP TOUCHES AS A MORE BOYISH HAIR STYLE AND LIGHTWEIGHT, THIN-RIMMED SPECTACLES TO OVERCOME HIS FORMERLY OWLISH LOOK),

KOHL COMES ACROSS PRINCIPALLY AS HONEST AND WELL-MEANING, BUT LACKING BOTH DYNAMISM AND THE TASTE FOR AUTHORITY.

12. KOHL'S POLICY ORIENTATION IS SIMILARLY UNDEFINED. HE SEEMS CONCERNED TO BE REGARDED PRIMARILY AS A MAN OF SECRET

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THE MODERATE CENTER, UNDOGMATIC AND OPEN TO ALL LEGITIMATE INTERESTS. HE WOULD LIKE (AS HIS PREFERENCE FOR COALITION WITH THE FDP SUGGESTS) TO COMMAND AS BROAD A CONSENSUS AS POSSIBLE AND TO SPEAK FOR MOST IF NOT ALL OF THE PEOPLE. AS BOTH HOSTILE AND FRIENDLY COMMENTATORS HAVE NOTED, KOHL RISKS BECOMING THE INSTRUMENT RATHER THAN MASTER OF THE CONTENDING FORCES THAT WOULD BE REPRESENTED IN HIS GOVERNMENT. MOREOVER, THE NEW CABINET'S POWER CENTER--UNLESS AND UNTIL KOHL CLEARLY OCCUPIED IT HIMSELF--WOULD LIE NOT WITH THE "LIBERALS" AMONG WHOM HE SEEMS PERSONALLY AND IDEOLOGICALLY COMFORTABLE, BUT WITH HARD-LINE CONSERVATIVES WHO HAVE CONTESTED HIS ASCENDANCY OR SOUGHT TO MANIPULATE HIM AS CHANCELLOR-CANDIDATE. KOHL MIGHT FIND HIMSELF TACKING IN THE DIRECTION OF HARD-LINE POSITIONS IN ORDER TO STAY ABREAST OF PUBLIC OPINION TRENDS.

13. THE RECOGNIZED HEAD OF THE POWERFUL CONSERVATIVE FACTION IS CSU CHAIRMAN STRAUSS. DURING THE SEVEN YEARS OF CHRISTIAN DEMOCRATIC OPPOSITION IN BONN, STRAUSS, AS CSU SPOKESMAN, HAS OFTEN MANAGED TO BE THE TAIL WAGGING THE CDU DOG. HE HAS TACITLY ASSUMED DE FACTO LEADERSHIP OF THE PARLIAMENTARY OPPOSITION IN ITS THOROUGHGOING CRITIQUE OF SCHMIDT'S ECONOMIC POLICIES, AND OFTEN HAS MOVED WELL BEYOND THAT ROLE IN DIRECTING THE ATTACK ON THE GOVERNMENT'S CONDUCT IN EVERY MAJOR AREA OF FOREIGN AS WELL AS DOMESTIC AFFAIRS.

14. MINORITY FLOORLEADER KARL CARSTENS, OVERSHADOWED IN THAT ROLE BY STRAUSS, WOULD TAKE OVER THE FOREIGN OFFICE.

WITH EXTENSIVE BACKGROUND IN INTERNATIONAL RELATIONS, BOTH AS A CAREER FOREIGN SERVICE OFFICER AND AS A FOREIGN AFFAIRS AND DEFENSE SPECIALIST AT THE SUB-CABINET LEVEL, HE PROMISES TO BE RELEGATED TO A TECHNICIAN'S LEVEL IF STRAUSS SHOULD USE HIS SPECIAL POWERS AS FINANCE MINISTER TO CLAIM A SUBSTANTIAL SHARE OF FOREIGN POLICY PLANNING AND DIRECTION. ON OSTPOLITIK, CARSTENS SUPPORTS STRAUSS' HARD-LINE VIEWS.

15. STRAUSS' CLOSEST ALLY AMONG THE CDU'S TOP-RANKING LEADERS, ALFRED DREGGER OF HESSE, WOULD REPRESENT THE PARTY'S TOUGHEST LAW-AND-ORDER POSITIONS AS INTERIOR

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MINISTER. DREGGER HAD MADE A STRONG BID FOR DEFENSE BUT OVERPLAYED HIS HAND BY PUBLISHING A POSITION PAPER TOO

GAULLIST FOR KOHL TO ACCEPT. AT ECONOMICS, GERHARD STOLTENBERG OF SCHLESWIG-HOLSTEIN HAS TRADITIONALLY CONSERVATIVE VIEWS ON MANAGEMENT OF THE DOMESTIC ECONOMY, AND THOUGH RARELY INVOLVED IN FOREIGN POLICY ISSUES, GRAVITATES READILY TOWARD STRAUSSIAN POSITIONS ON THEM. LIKE DREGGER, STOLTENBERG MIGHT ALIGN HIMSELF AGAINST KOHL'S INFLUENCE IN A CDU/CSU CABINET. HE WOULD BE A PRIME CANDIDATE FOR THE SUCCESSION IF KOHL SHOULD FALL VICTIM, LIKE CHANCELLOR ERHARD IN 1966, TO CUTTHROAT COMPETITION AND HIS OWN INDECISIVENESS.

16. THIS IS NOT TO SAY THAT THE EXTREME CONSERVATIVES WOULD DOMINATE COMPLETELY THE POLICYMAKING PROCESS IN A KOHL ADMINISTRATION. OLD AND NEW MODERATES--SUCH AS EX-CDU LEADER RAINER BARZEL, FORMER PRESIDENTIAL ASPIRANT RICHARD VON WEIZSAECKER, AND CAMPAIGN MANAGER KURT BIEDENKOPF-- WOULD HAVE SOME INFLUENCE AGAINST THE STRAUSS FORCES.

17. WHETHER KOHL MANAGES TO AVOID EVENTUAL CAPTURE BY THE STRAUSS ELEMENTS, OR RELEGATION TO AN UNEASY MODERATOR'S ROLE, WILL DEPEND ON HIS OWN (STILL LARGELY UNREVEALED) RESOURCES OF WILL POWER AND POLITICAL FINESSE. IN ANY CASE, THE NEW KOHL ADMINISTRATION WOULD FACE AN UNCERTAIN BEGINNING. IN THE CIRCUMSTANCES, THE OUTLINES OF GOVERNMENT POLICY COULD REMAIN BLURRED WELL INTO 1977.

PART II. FACTORS OF POLICY CONTINUITY

18. COUNTERBALANCING THESE UNCERTAINTIES, THERE IS NON-PARTISAN CONSENSUS IN THE FRG ON THE FUNDAMENTAL ISSUES OF NATIONAL INTEREST, PARTICULARLY IN THE FIELD OF FOREIGN RELATIONS. THE CONSENSUS EXTENDS TO EVERY MAJOR ASPECT OF THE FRG'S ROLE AS A EUROPEAN POWER AND ESSENTIALLY DETER-

MINES THE CHARACTER AND MAGNITUDE OF ITS BROADER INVOLVEMENT IN WORLD AFFAIRS. THE LEADING PRINCIPLE OF THIS VIRTUAL UNANIMITY IS THAT NATIONAL SECURITY FOR THE WEST GERMANS IS ANCHORED IN THE SYSTEM OF POSTWAR ALLIANCES AND TREATY ARRANGEMENTS THAT DEVELOPED FROM AN INITIAL DESIRE

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TO CONSTRAIN THE DEFEATED POWER INTO A FRAMEWORK OF MUTUAL INTERESTS AND RECIPROCAL BENEFITS, WITH THE FEDERAL REPUBLIC AT ITS CENTER.

19. ALIGNMENTS OF BASIC INTEREST--THE WESTERN CONTEXT:

20. SINCE THE ESTABLISHMENT OF THE WEST GERMAN STATE IN 1949, THE OVERWHELMING MAJORITY OF ITS PEOPLE HAVE SUPPORTED POLICIES BASED ON A WESTERN ORIENTATION. CHRISTIAN

DEMOCRATIC ADMINISTRATIONS LED BY KONRAD ADENAUER AND HIS SUCCESSORS FORMULATED THOSE POLICIES THAT TODAY'S CDU/CSU REGARDS AS FUNDAMENTAL. THE SPD-FDP COALITIONS UNDER BRANDT AND SCHMIDT HAVE NOT DEVIATED SIGNIFICANTLY FROM THE PRO-WESTERN ORIENTATION OF PREDECESSOR CDU/CSU GOVERNMENTS.

21. A KOHL ADMINISTRATION COULD BE EXPECTED, THEREFORE, TO RETAIN THE FOUR CORE COMPONENTS OF THE FRG'S WESTERN FOREIGN POLICY ORIENTATION:

(A)--NATO;

(B)--THE US LINK;

(C)--THE FRANCO-GERMAN ENTENTE;

(D)--EUROPEAN INTEGRATION.

THE CHRISTIAN DEMOCRATS WOULD SEE THEIR PARTISAN ADVANTAGE, AND THE NATION'S CONCERNs, BEST SERVED BY FOLLOWING ESTABLISHED PATHWAYS WITHIN THE NETWORK OF WESTERN INTERRELATIONSHIPS--ALTHOUGH VARIATIONS DESIGNED PRIMARILY FOR IMAGE-BUILDING, ON THE "NEW BROOM" OR "INDEPENDENT GERMAN INTEREST" THEMES, CANNOT BE EXCLUDED. THE MORE FUNDAMENTAL LIMITS ON FREEDOM OF ACTION PRESCRIBED BY THE FRG'S BILATERAL AND MULTILATERAL ALLIANCE COMMITMENTS WOULD CONTINUE TO BE ACCEPTED AS THE PRICE OF GRADUALLY INCREASING WEST GERMAN INFLUENCE WITHIN THE SYSTEM.

22. NATO: THE ASSUMPTION THAT THE WEST GERMANS MUST

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DEPEND ON NATO AND THE US FOR THEIR SECURITY AGAINST EXTERNAL THREAT IS AXIOMATIC FOR ALL THREE BUNDESTAG PARTIES. THE COMMITMENT TO RAISE AND MAINTAIN ARMED FORCES OF NEARLY HALF A MILLION MEN AS INTEGRAL CONTINGENTS OF NATO WAS ACCEPTED AND CARRIED OUT AS BIPARTISAN POLICY. THE POLITICO-MILITARY DOCTRINES OF PAST CDU AND SPD MINISTERS OF DEFENSE HAVE BEEN VIRTUALLY IDENTICAL, AND THEY HAVE BEEN TAKEN OVER WITHOUT SIGNIFICANT CHANGE BY KOHL'S SHADOW DEFENSE MINISTER, MANFRED WOERNER. THEY ALL AGREE THAT:

(A)--SOVIET MILITARY POWER MENACES GERMAN SECURITY AND IS ON THE INCREASE;

(B)--THE FRG AND EUROPE CANNOT SURVIVE UNLESS THE USSR CONTINUES TO FEAR US NUCLEAR INTERVENTION; AND

(C)--THE ROLE OF THE BUNDESWEHR IS TO MARSHAL OPTIMAL CONVENTIONAL FORCE SO AS TO RAISE THE NUCLEAR THRESHOLD IF WAR SHOULD COME.

THE CDU CHARGES THAT THE SCHMIDT GOVERNMENT HAS NOT BEEN SPENDING ENOUGH ON THE BUILDUP OF CONVENTIONAL FORCES, BUT THIS APPEARS TO BE LARGEY A CAMPAIGN POLEMIC. APPROXIMATELY ONE-THIRD OF THE FEDERAL BUDGET HAS BEEN ALLOTTED SYSTEMATICALLY OVER THE YEARS FOR DEFENSE, REGARDLESS OF WHICH PARTY WAS IN POWER.

23. SIMILARLY, THERE IS LITTLE TO SUGGEST ANY NEW CDU/CSU APPROACH IN OTHER DEFENSE-RELATED AREAS. A KOHL GOVERNMENT WOULD CONTINUE TO ENDORSE JOINT US-FRG MILITARY R & D AND THE OBJECTIVE OF A FAIR GERMAN SHARE IN JOINT PROCUREMENT. IT WOULD NOT TRY TO RENEGOTIATE THE NATO-TANK AGREEMENT JUST REACHED WITH THE US OR TO PUSH THE GERMAN LEOPARD TANK WITH OTHER NATO FORCES. NOR WOULD THE CDU/CSU HAVE REASON TO CHALLENGE THE PARALLEL EFFORT BY THE EURO-GROUP MEMBERS PLUS FRANCE TO RATIONALIZE AND COORDINATE PROCUREMENT FOR NATO, ESPECIALLY IF LUCRATIVE DEFENSE CONTRACTS FOR GERMAN INDUSTRY MIGHT RESULT.

24. ON MBFR, THE SCHMIDT GOVERNMENT'S POLICY--FORMULATED
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AND EXECUTED WITH THE HELP OF CDU-ORIENTED CAREER PROFESSIONALS--REFLECTS A NON-PARTISAN INSISTENCE ON AVOIDING:

(A)--ANY REDUCTION FORMULA THAT MIGHT UNDERMINE THE DEFENSIBILITY OF NATO FORCES STATIONED IN WEST GERMANY;

(B)--DISCRIMINATION AGAINST THE FRG THROUGH DOWNGRADING ITS STATUS COMPARED WITH OTHER NATO COUNTRIES; AND

(C)--CONCESSIONS TO THE SOVIETS AT FRG EXPENSE.

25. A CDU/CSU ADMINISTRATION WOULD CONTINUE TO DEFEND THESE CRITERIA AND TO MAINTAIN CLOSE TACTICAL ASSOCIATION WITH THE US NEGOTIATING TEAM.

26. THE US LINK: BEYOND THE DIRECT DEPENDENCE ON THE US FOR SECURITY, WEST GERMAN POLITICIANS OF ALL PARTIES HAVE ACCEPTED AS A FACT OF LIFE THE EXTENSIVE AND COMPLEX INTER-WEAVING OF THEIR OWN POLICY CONCERNS WITH US INTERESTS. POLITICAL LEADERS HAVE RECOGNIZED SUCH TIES AS INDISPENSABLE IN BUTTRESSING FRG POSITIONS WITH OTHER MAJOR POWERS, PARTICULARLY THE SOVIET UNION, BUT THEY ARE AWARE ALSO OF THEIR RESULTANT VULNERABILITY IN BILATERAL RELATIONS WITH THE US.

27. FOR A NEW CDU/CSU GOVERNMENT, THERE MIGHT BE AN INITIAL DIFFICULTY IN ESTABLISHING AN APPROPRIATE POSTURE

TOWARD WASHINGTON AND IN DEFINING THE FRG'S POLICY COURSE ON MATTERS OF BASIC CONCERN TO BOTH GOVERNMENTS. THE PRESENT CHRISTIAN DEMOCRATIC LEADERSHIP IS CONSCIOUS OF THE ATTENUATION OF ITS ACCESS TO AMERICAN POLICYMAKERS IN THE YEARS OF SOCIAL DEMOCRATIC RULE. KOHL AND HIS ASSOCIATES WOULD WANT TO REESTABLISH A RELATIONSHIP OF CONFIDENCE WITH WHATEVER US ADMINISTRATION WAS IN POWER.

28. IN PARTICULAR, THEY MIGHT QUICKLY SOLICIT US BACKING ON TWO ISSUES THAT WERE CENTRAL TO THE CDU/CSU ELECTION CAMPAIGN: A SLOWDOWN ON DETENTE AND NO GAP IN WESTERN DEFENSES. THEY WOULD WANT GUARANTEES THAT THE US WOULD JEOPARDIZE NO FRG INTEREST IN SALT OR ANY OTHER DIALOGUE

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WITH THE SOVIETS, AND THAT THERE WOULD BE NO DETERIORATION IN THE NATO CAPABILITY TO NEUTRALIZE THE SOVIET THREAT. THE TONE OF SUCH REPRESENTATIONS MIGHT BE ASSERTIVE, ON THE SCHMIDT MODEL, OR MERELY INSISTENT. IN EITHER CASE, THEY WOULD BE DESIGNED TO CONVEY BONN'S WILLINGNESS TO ACKNOWLEDGE AMERICAN PRIMACY IN DEALING WITH THE SOVIETS IN EXCHANGE FOR ASSURANCES THAT THE US WOULD DO NOTHING PREJUDICIAL TO FRG SECURITY INTERESTS.

29. THE FRANCO-GERMAN ENTENTE: AS WITH THE QUESTION OF

ADHERENCE TO NATO, THE INDISPENSABILITY OF THE SPECIAL RELATIONSHIP WITH FRANCE IS NOT IN DISPUTE AMONG THE WEST GERMAN PARTIES. THE POLICY OF DEVELOPING A CLOSE UNDERSTANDING BETWEEN FRENCHMEN AND GERMANS WAS BASED NOT ONLY ON THE STRONG DESIRE ON BOTH SIDES TO OVERCOME THEIR TRADITIONAL ENMITY, BUT ALSO ON THE PROSPECT OF COMBINING THEIR RESOURCES TO RECOVER FROM THE MATERIAL EFFECTS OF THE WAR AND TO RECONSTRUCT A BASE OF ECONOMIC AND EVENTUALLY POLITICAL POWER WITHIN WESTERN EUROPE.

30. THE PROJECT OF ENTENTE WITH FRANCE AS A CORNERSTONE OF GERMAN AND EUROPEAN REVIVAL WAS LAUNCHED BY THE CHRISTIAN DEMOCRATIC ADMINISTRATION OF KONRAD ADENAUER AND CARRIED FORWARD BY SUCCESSIVE GOVERNMENTS OF BOTH MAJOR PARTIES. IN THE COURSE OF THEIR DEALINGS WITH THE FRENCH, THE GERMANS PROVIDED THE FUNDS TO PROTECT THEIR INVESTMENT IN THE PARTNERSHIP WHILE PRACTICING SUFFICIENT TACTICAL FINESSE TO DRAW POLITICAL DIVIDENDS, IN THE FORM OF FRENCH POLITICAL SUPPORT, FROM THIS OTHERWISE UNEQUAL BARGAIN.

31. THE FRANCO-GERMAN ASSOCIATION HAS PRESERVED THIS UNDERLYING ASYMMETRY. IN THE POLITICAL AND SECURITY RELATIONS OF THE TWO NATIONS, FRANCE OCCUPIES POSITIONS OF PRIVILEGED INFLUENCE, NAMELY:

(A)--VETO POWER OVER DECISIONS CONCERNING THE STATUS OF BERLIN OR INVOLVING ALLIED RIGHTS IN GERMAN DOMESTIC MATTERS, CARRIED OVER FROM THE OCCUPATION PERIOD;

(B)--DISPOSITION OF TACTICAL AND STRATEGIC NUCLEAR FORCES
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TARGETABLE IN GERMANY, BUT INDEPENDENT OF GERMAN OR NATO CONTROL;

(C)--SOLE AUTHORITY OVER THE DEPLOYMENT OF FRENCH TROOPS STATIONED IN SOUTHWEST GERMANY, UNDER EXCLUSIVELY FRENCH COMMAND; AND

(D)--THE INITIATOR ROLE IN SETTING PRIORITIES FOR COOPERATIVE POLICYMAKING WITHIN THE EUROPEAN COMMUNITY.

32. FOR THEIR PART, THE WEST GERMANS HAVE CONCENTRATED ON CHANNELING FRENCH INITIATIVES TOWARD JOINT OR MULTILATERAL GOALS AND ON CONTAINING THE INTERMITTENT FRENCH ATTEMPTS TO EXERCISE HEGEMONY OVER THE EUROPEAN COMMUNITY.

33. IN ANY CASE, THE CONSULTATIVE SYSTEM CREATED BY THE FRANCO-GERMAN TREATY OF 1963 RARELY RESULTED IN A HARMONI-

OUS DIALOGUE, WHETHER THE PRINCIPALS WERE AS INAPPROPRIATELY MATCHED AS DE GAULLE AND ERHARD, OR AS CLOSELY ATTUNED TO EACH OTHER'S STYLE AND SENSE OF PRIORITIES AS SCHMIDT AND GISCARD. A KOHL GOVERNMENT WOULD CERTAINLY CONTINUE THE CLOSE DIALOGUE WITH THE FRENCH, WHILE REALIZING FULL WELL THAT CONFLICT IS BUILT INTO THIS PARTNERSHIP WHICH NEVERTHELESS REMAINS A VITAL GERMAN INTEREST.

34. THE NEW CDU/CSU ADMINISTRATION MIGHT BE POORLY PREPARED, HOWEVER, TO DEAL WITH A UNION OF THE LEFT REGIME IN FRANCE. EVEN FOR THE SPD, ASSOCIATION WITH FRANCOIS MITTERRAND AND THE FRENCH SOCIALISTS HAS BEEN DIFFICULT BECAUSE OF MITTERRAND'S IDEOLOGICAL MILITANCY, SUSPICION OF THE US, AND ALLIANCE WITH THE FRENCH COMMUNIST PARTY. FOR KOHL AND HIS ASSOCIATES, COOPERATION WITH A SOCIALIST-DOMINATED GOVERNMENT IN FRANCE WOULD BE PROBLEMATICAL, EVEN IF GISCARD D'ESTAING WERE TO REMAIN PRESIDENT. FRENCH SOCIALIST DOCTRINE ON THE MAJOR ISSUES OF EAST-WEST CONFRONTATION WOULD REVIVE, IN AGGRAVATED FORM, THE FRG'S DISPUTES WITH THE GAULLISTS ON GERMAN COMMITMENTS TO THE US AND TO THE ATLANTIC DEFENSE SYSTEM.

35. EUROPEAN INTEGRATION: THE COMMITMENT TO THE EUROPEAN COMMUNITY COMPLETES THE QUARTET OF FIXED POSITIONS

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REPRESENTING THE FRG'S FUNDAMENTAL ATTACHMENT TO THE WEST. DOUBTS ABOUT THE FUTURE OF EUROPEAN POLITICAL UNITY AND

THE QUESTIONING OF INTEGRATION AS A GUIDING PRINCIPLE FOR THE EC HAVE NOT REDUCED THE PRACTICAL VALUE OF THE COMMUNITY IN WEST GERMAN EYES. THE EC REMAINS VITALLY IMPORTANT TO FRG ECONOMIC STABILITY, AND THEREFORE TO THE MAINTENANCE OF WEST GERMAN POLITICAL LEVERAGE DERIVED FROM THE MATERIAL CONTRIBUTION TO THE MANAGEMENT OF COMMUNITY INSTITUTIONS AND THE SOLUTION OF COMMUNITY PROBLEMS. ABOVE ALL, THE EC SERVES AS A UNIQUE MEDIUM FOR THE PROTECTION AND ASSERTION OF FRG INTERESTS (AS IN THE CHRONIC SPARRING WITH FRANCE). IT IS OF PRIME IMPORTANCE AS AN AUXILIARY RESERVOIR FOR THE AUGMENTATION OF WEST GERMAN INFLUENCE WITHIN THE EC AND ABROAD.

36. A CDU/CSU GOVERNMENT WOULD BE NO LESS STRINGENT THAN SCHMIDT HAS BEEN IN PRESSING FOR REVIEW OF THE SYSTEM OF MEMBER CONTRIBUTIONS TO THE EC BUDGET; IMPROVED FISCAL MANAGEMENT IS A MAJOR PLANK IN THE PARTY'S ELECTION PLATFORM. HOWEVER, A CDU/CSU MOVE TO CHANGE THE CORE PRINCIPLE OF A PREDOMINANT FRG SHARE IN COMMUNITY FINANCING IS NOT IN PROSPECT. AGAIN, KOHL AND HIS MINISTERS MIGHT WELL ADOPT HIS PREDECESSOR'S SKEPTICAL ATTITUDE TOWARD THE

FUNCTIONING OF THE EC COMMISSION. THAT WOULD ACCORD WITH PUBLIC SKEPTICISM ABOUT THE ROLE OF GOVERNMENT BUREAUCRACIES--ESPECIALLY IN WEST GERMANY, WHERE THE DISPROPORTIONATE NUMBERS OF PUBLIC OFFICIALS IN FEDERAL AND REGIONAL LEGISLATURES HAVE BECOME A MATTER OF INCREASING CONCERN.

37. THE CHRISTIAN DEMOCRATS ALSO SHARE THE INCUMBENT ADMINISTRATION'S RESERVE TOWARD THE PROGRESSIVE TRANSFER OF NATIONAL DECISION-MAKING TO SUPRANATIONAL AUTHORITY. NEVERTHELESS, THEY FIRMLY SUPPORT THE PROJECT OF A EUROPEAN PARLIAMENT, TO BE DIRECTLY ELECTED IN 1978, AS AN INSTITUTIONAL ADVANCE LONG OVERDUE THAT COULD FACILITATE PLANNING AND OVERSIGHT OF COMMUNITY PROGRAMS AND, MORE IMPORTANT, REVIVE POPULAR COMMITMENT TO THE EUROPEAN IDEA. ALL THREE BUNDESTAG PARTIES HAVE CUSTOMARILY SENT COMPETENT REPRESENTATIVES TO THE EC ASSEMBLY, AND ALL THREE ARE

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ACTIVELY PREPARING FOR TRANSNATIONAL POLITICS IN THE FUTURE PARLIAMENT BY CEMENTING ORGANIZATIONAL LINKS WITH COUNTERPART GROUPS IN THE OTHER EC COUNTRIES.

38. FINALLY, A CDU/CSU GOVERNMENT WOULD PROBABLY NOT INTRODUCE SIGNIFICANT CHANGE INTO FRG POLICY ON THE COMMUNITY'S EXTERNAL RELATIONS. FOR THE WEST GERMANS, UNLIKE THE FRENCH, THE FOCUS OF EC SOLIDARITY REMAINS PRIMARILY INWARD-DIRECTED. THUS, THEY HAVE RESISTED THE FRENCH ASPIRATIONS FOR AN INDEPENDENT POWER ROLE FOR THE EC,

EITHER WITH REGARD TO THE US OR AS A FREEWHEELING MODERATOR IN WORLD AFFAIRS.

39. LIKE ITS PREDECESSORS, A KOHL CABINET WOULD BE SURE TO DISMISS THE EUROPEAN NUCLEAR DEFENSE ALTERNATIVE AND THE FRENCH SURROGATE UMBRELLA AS EQUALLY FUTILE. EVEN THE STRAUSS VARIANT OF AN AUTONOMOUS EUROPEAN STRATEGIC FORCE LINKED TO THE US HAS NEVER WON OVER A MAJORITY OF THE CHRISTIAN DEMOCRATS.

40. THE EASTERN FLANK--STILL OPEN:

41. LIKE THE NETWORK OF FRG RELATIONSHIPS WITH ITS WESTERN ALLIES, THE BASIC PATTERN OF RELATIONS WITH THE SOVIET BLOC WAS DETERMINED BY THE REALITIES OF THE DE FACTO POST-WAR SETTLEMENT. EVERY WEST GERMAN GOVERNMENT HAS HAD TO LIVE WITH THE FACT OF CONFRONTATION TO THE EAST, INVOLVING A RELATIVE SOVIET HOSTILITY TO GERMAN NATIONAL AIMS AND CONSTANT DIPLOMATIC PRESSURE OF VARYING INTENSITY FROM TIME TO TIME AGAINST FRG POSITIONS.

42. THE NEGOTIATING BREAKTHROUGHS ASSOCIATED WITH BRANDT'S OSTPOLITIK--CULMINATING IN THE TREATIES WITH THE USSR, POLAND, AND EAST GERMANY, PLUS THE BERLIN QUADRIPARTITE AGREEMENT--DID NOT ELIMINATE THE CONFRONTATION WITH THE USSR. THESE EFFORTS TOWARD ACCOMMODATION WITH THE SOVIET UNION AND ITS ALLIES FELL SHORT OF PRODUCING A BROADLY CONSTRUCTIVE ADJUSTMENT TO "POSTWAR REALITIES." THE TERMS OF MUTUAL COMMITMENT HAVE REMAINED ESSENTIALLY UNDEFINED, AND THE SUBSTANCE OF RAPPROCHEMENT HAS YET TO MATERIALIZE

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IN DURABLE FORM.

43. THE SCHMIDT-GENSCHER GOVERNMENT, INHERITING BRANDT'S OSTPOLITIK AT A TIME OF DOUBTFUL PROMISE, FELT IMPELLED TO CARRY IT FORWARD FOR PARTISAN POLITICAL REASONS AND TO CAPITALIZE IF POSSIBLE ON THE GENERALIZED SOVIET COMMITMENT TO HELP REDUCE EAST-WEST TENSIONS. AS THE GERMAN OVERTURES ENCOUNTERED RESISTANCE FROM THE SOVIETS AND EAST GERMANS, THEY GREW INCREASINGLY TENTATIVE, PARTICULARLY WHEN PUBLIC SUPPORT BEGAN TO FADE AND THE COALITION BEGAN TO FEAR THAT IT MIGHT BE VULNERABLE ON THE ISSUE IN THE BUNDESTAG ELECTION.

44. THE CHRISTIAN DEMOCRATS, PROFITING FROM THE CURRENT DISENCHANTMENT WITH BOTH SCHMIDT AND BRANDT POLICIES TOWARD THE EAST, MIGHT BE TEMPTED TO TRY SOMETHING NEW. THEIR CAMPAIGN RHETORIC AND THEIR LEGISLATIVE RECORD ARE

BOTH DIRECTED AGAINST THE COALITION'S OSTPOLITIK, WHICH THEY TERM A NATIONAL BETRAYAL. VICTORY ON OCTOBER 3 WOULD PERMIT THE CHRISTIAN DEMOCRATS TO ARGUE THAT THEY HAD WON A MANDATE TO EITHER HALT THE POLICY OR REORIENT IT MORE TO THE ADVANTAGE OF THE FRG.

45. SHOULD KOHL CLAIM SUCH A MANDATE, HOWEVER, HE WOULD PROBABLY BE UNABLE TO FULFILL IT, AT LEAST IN THE SHORT TERM. NEITHER HE NOR HIS ADVISERS OFFER ANY RECIPES FOR SPECIFIC PROGRESS IN RELATIONS WITH THE SOVIETS AND THEIR ALLIES. IN AN INTERVIEW PUBLISHED IN DIE ZEIT OF SEPTEMBER 10, BIEDENKOPF SUGGESTED THAT ANY NEGOTIATION IN GOOD FAITH TO BREAK THE IMPASSE IN FRG-GDR RELATIONS WOULD HAVE TO DEPEND ON SOVIET WILLINGNESS TO STOP THE MILITARY BUILDUP AGAINST THE WEST. A KOHL GOVERNMENT COULD NEITHER FORCE THE USSR TO ACCEPT ITS CONDITIONS FOR A RAPPROCHEMENT NOR ADMIT PUBLICLY THAT RELATIONS WITH THE EAST MUST BE FROZEN BECAUSE THE OLD OSTPOLITIK WAS OBSOLETE.

46. BARRING SOME DISASTROUS FAIT ACCOMPLI BY THE SOVIET

SIDE, LIKE THE BUILDING OF THE BERLIN WALL IN 1961, KOHL
WOULD WANT TO RETAIN SOME MOMENTUM FOR THE IMPLEMENTATION
OF OSTPOLITIK--NOT BY TREATIES OR ADMINISTRATIVE AGREEMENTS.

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MENTS BUT RATHER IN PRACTICAL AD HOC ARRANGEMENTS.

47. THE SHADOW-CHANCELLOR'S SIGNIFICANT ROLE IN PERSUADING HIS PARTY TO SUPPORT THE 1975 PENSION AGREEMENT WITH POLAND COULD PREFIGURE SUCH A STRATEGY. HIS RECENT VISIT TO MOSCOW AND THE BALKANS LAID SOME FOUNDATION FOR REOPENING A DIALOGUE WITH THE SOVIET LEADERSHIP--PARTICULARLY IF FOCUSED INITIALLY ON THE EXPANSION OF TRADE WITH THE ENTIRE SOVIET BLOC--THAT COULD BE DECISIVE IN SHAPING A CDU/CSU NORMALIZATION POLICY. IT IS ALSO LIKELY THAT KOHL WOULD LOOK FOR WAYS TO CARRY THE FRG-GDR COLLOQUY FURTHER DESPITE HIS STRONG CRITICISM OF EAST GERMAN BEHAVIOR AND DEMANDS.

PART III. NEW DIRECTIONS AND PROBLEMS

48. THE OUTLINES OF CDU/CSU POLICY FOR THIRD WORLD RELATIONS ARE SOMEWHAT DIFFICULT TO ASSESS. THE MAJOR ISSUES AND RELATIONSHIPS THAT DEVELOPED FROM THE RECONSTRUCTION OF EUROPE, THE DIVISION OF GERMANY, AND THE STABILIZATION OF THE EAST-WEST POWER BALANCE HAVE UNTIL RECENTLY MONOPOLIZED FRG ACTIVITY IN FOREIGN AFFAIRS, AND THEY ARE LIKELY TO REMAIN CONTROLLING FOR SOME TIME TO COME. DESPITE CHANCELLOR SCHMIDT'S ENERGETIC CALLS FOR ATTENTION TO THE NEW PROBLEMS OF SUPPLY OF ESSENTIAL RAW MATERIALS, INTER-

NATIONAL MONETARY STABILITY, AND COORDINATION OF ADVANCED INDUSTRIAL ECONOMIES, WEST GERMANY IS STILL LARGELY FEELING ITS WAY TOWARD A CONSISTENT DEFINITION OF THE NATIONAL INTEREST IN SUCH MATTERS.

49. IN OTHER AREAS AS WELL, THE CHRISTIAN DEMOCRATIC RECORD IS FRAGMENTARY AND ITS PROGRAM ONLY PARTIALLY CRYSTALLIZED. IN ITS ELECTION CAMPAIGN, THE PARTY HAS STRESSED THAT SECURITY AND FOREIGN POLICY CONCERNS MUST BE GIVEN PRIORITY OVER SOCIAL WELFARE PROGRAMS IN THE ALLOCATION OF SCARCE BUDGETARY RESOURCES. THAT POSITION MAY NOT, HOWEVER, DETERMINE ACTUAL PRIORITIES IN A CDU/CSU ADMINISTRATION. THE PARTY'S CRITICISM OF SOCIAL PROGRAMS WAS DESIGNED TO EMBARRASS THE SPD BY BLAMING SOCIALIST REFORM DOCTRINE FOR THE GROWING BURDEN OF WELFARE SPENDING.

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ING, WHICH HAS BEEN AGGRAVATED BY THE EFFECTS OF THE RECESSION AND BY THE INCREASED PREDOMINANCE OF OLDER PERSONS IN THE POPULATION.

50. THE CDU PROMISES THAT IT WILL FREE FUNDS BY STREAM-LINING THE TAX CREDIT SYSTEM, GIVING A GREATER PROPORTIONATE SHARE TO THE OLD AND THE NEEDY, AND HOLDING THE LINE ON TAX INCREASES AT THE SAME TIME. THIS PROMISE HAS LITTLE CREDIBILITY IN VIEW OF THE MASSIVE FIXED INDEBTEDNESS TO THE SOCIAL WELFARE SYSTEM, ONE OF THE MOST COMPREHENSIVE IN THE WORLD. THE CDU/CSU HAS NOT INDICATED HOW IT WOULD APPLY NEW FUNDS TO BUTTRESS THE FOREIGN POLICY EFFORT, OR WHETHER ANY NEW INITIATIVES IN THIS FIELD ARE CONTEMPLATED.

51. POCKETBOOK ISSUES:

52. THE FRG'S HIGHLY PRODUCTIVE ECONOMY, GEARED TO THE EXPORT TRADE, IS THE PRINCIPAL BASIS OF A WORLDWIDE WEST GERMAN "PRESENCE" FUNCTIONING FOR THE MOST PART WITHOUT THE TRADITIONAL FACTORS OF POLITICAL OR MILITARY INVOLVEMENT. UNDER A CDU/CSU GOVERNMENT, EXPORT OF INDUSTRIAL GOODS AND TECHNOLOGY WOULD CONTINUE TO HAVE A HIGH PRIORITY, EVEN AT THE COST OF FRICTION WITH ECONOMIC COMPETITORS WHO ARE ALSO POLITICAL ALLIES. IN THIS AREA OF INTEREST, THE INCREASED NATIONAL ASSERTIVENESS WHICH HAS BEEN CONSPICUOUS IN THE SCHMIDT GOVERNMENT'S POSTURE ON NUMEROUS ISSUES IS LIKELY TO EMERGE AGAIN.

53. NUCLEAR EXPORTS: A KOHL GOVERNMENT WOULD BUILD ON THE SUBSTANTIAL PROGRESS MADE BY ITS PREDECESSOR, BOTH IN UNILATERAL SUPPLY ARRANGEMENTS AND IN JOINT PROJECTS WITH THE FRENCH, DUTCH, AND BRITISH. LIKE SCHMIDT, KOHL WOULD BE CONCERNED TO CONSULT CLOSELY WITH THE US TO MAINTAIN

ADEQUATE SAFEGUARDS AGAINST MISUSE OR UNCONTROLLED NUCLEAR PROLIFERATION, BUT HE WOULD NOT WITHDRAW THE FRG FROM THE NUCLEAR EXPORT COMPETITION.

54. ARMS EXPORTS: ECONOMIC PRESSURES AND THE RISING CONSCIOUSNESS OF LEGITIMACY FOR THE FRG'S POWER STATUS HAVE MADE IT PROBABLE THAT THE NEXT WEST GERMAN GOVERNMENT,
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WHATEVER ITS COMPOSITION, WILL ELIMINATE THE SELF-IMPOSED RESTRICTIONS ON SUPPLY OF GERMAN MILITARY EQUIPMENT TO NON-NATO COUNTRIES. NOT HAVING TO DEAL WITH A RECALCITRANT PARTY MINORITY ON THIS QUESTION, KOHL COULD MAKE THE CHANGE MORE READILY THAN SCHMIDT. THIS MODIFICATION OF FRG POLICY

IS LIKELY TO BE CARRIED OUT GRADUALLY AND AS DISCREETLY AS POSSIBLE, IN ORDER TO KEEP FOREIGN AS WELL AS DOMESTIC CRITICISM TO A MINIMUM.

55. DEVELOPMENT AID: THE CDU/CSU'S YOUNG PARLIAMENTARY SPECIALIST IN THIS FIELD, JUERGEN TODENHOEFER, HAS PROPOSED THAT DEVELOPMENT AID FOLLOW A DOUBLE-TRACKED POLICY: RESOURCE-POOR COUNTRIES WOULD CONTINUE TO RECEIVE KNOW-HOW AND LOW-INTEREST LOANS, WHILE COUNTRIES WITH RAW MATERIALS OF IMPORTANCE TO THE FRG WOULD RECEIVE CONTINGENT AID IN DIRECT EXCHANGE FOR THEIR GOODS OR IN THE FORM OF LONG-TERM CONTRACTS FOR A GUARANTEED SUPPLY. SUCH A POLICY WOULD BE DESIGNED TO FORESTALL ANY RAW-MATERIALS INDEXATION AND WOULD ACCORD WITH THE WEST GERMAN BUSINESSMAN'S ANTIPATHY TOWARD STRUCTURAL RESTRICTIONS ON TRADE. TODENHOEFER HAS FURTHER PROPOSED AID CUT-OFFS FOR ANY COUNTRY ACCEPTING SOVIET INFLUENCE. IT CANNOT BE PREDICTED HOW FAR TODENHOEFER'S VIEWS WOULD BE TRANSLATED INTO ACTUAL POLICY, SINCE HE HAS NOT BEEN INCLUDED IN KOHL'S SHADOW CABINET.

56. THE OPENING TO CHINA: HERE A SUBSTANTIAL BEGINNING HAS BEEN MADE BY STRAUSS, WHO, IN TWO VISITS WITH THE TOP PRC LEADERSHIP, INCLUDING CHAIRMAN MAO, EXPLORED BOTH ECONOMIC AND POLITICAL ASPECTS OF A POTENTIALLY FRUITFUL RELATIONSHIP. THE PRIMARY ATTRACTION FOR THE WEST GERMAN SIDE, NOTED BY BOTH STRAUSS AND CHANCELLOR SCHMIDT DURING THEIR RECENT VISITS TO THE PRC, IS IN A PROGRAM OF DEVELOPMENT FOR CAPITAL INVESTMENT ON A LONG-TERM BASIS.

57. STRAUSS, IN HIS DISCUSSIONS WITH PRC LEADERS, HAS BEEN LESS CONCERNED THAN SCHMIDT--OR KOHL IN A LATER, LESS SUBSTANTIVE SERIES OF MEETINGS--TO AVOID TAKING SIDES BETWEEN THE CHINESE AND THE SOVIETS. BUT EVEN STRAUSS DISCOUNTS THE POSSIBILITY OF USING A PRC CONNECTION TO PUT PRESSURE ON THE SOVIETS TO SOFTEN THEIR GERMAN POLICY. THE CDU/CSU

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GOVERNMENT WOULD PROBABLY AIM TO MAINTAIN RELATIONS WITH THE PRINCIPAL COMMUNIST POWERS ON SEPARATE TRACKS.

PART IV. THE US INTEREST AND THE LONGER-TERM OUTLOOK

58. ASSUMING THAT KOHL COULD EFFECTIVELY ORGANIZE HIS GOVERNMENT AFTER THE ELECTION, THE CHANCES ARE EXCELLENT THAT IT WOULD THEN RUN ALONG FAMILIAR LINES OF COMMON US-FRG INTEREST. THE CDU/CSU LEADERSHIP WOULD BE EAGER TO CONTINUE SUPPORTING US INTERESTS, PARTICULARLY IN THE CONTEXT OF NATO RELATIONS. IT WOULD SEEK TO ASSURE AN IDENTITY OF STRATEGY AND TACTICS WITH THE US IN DEALING WITH THE

SOVIETS, IN HARMONIZING US AND EC TRADE POLICY, AND IN EXPLORING SOLUTIONS TO INTERNATIONAL ECONOMIC PROBLEMS.

59. ON CURRENT PROBLEM AREAS OF INTEREST TO THE US, THE NEW GOVERNMENT COULD BE EXPECTED TO:

(A)--PROVIDE FINANCIAL SUPPORT TO ITALY TO HELP MAINTAIN THE DEMOCRATIC FORCES IN POWER;

(B)--SUPPORT THE SOARES GOVERNMENT IN PORTUGAL AND FOSTER SPAIN'S ACCESSION TO EC AND NATO;

(C)--USE DIPLOMATIC AND ECONOMIC LEVERAGE TO KEEP THE PEACE BETWEEN GREECE AND TURKEY AND TO ENCOURAGE GREEK RESUMPTION OF FULL PARTICIPATION IN NATO;

(D)--PRESS OTHER EUROPEAN NATO MEMBERS TO AUGMENT THEIR DEFENSE EFFORTS AND TO OVERCOME WEAPONS OBSOLESCENCE THROUGH JOINT R & D.

60. OVER THE LONGER TERM, POLICY CONTINUITY COULD ENCOUNTER SOME TURBULENCE AS A CDU/CSU GOVERNMENT BEGAN TO REALIZE MORE FULLY THE CHALLENGES AND OPPORTUNITIES CONFRONTING AN FRG THAT ONCE AGAIN DOMINATED THE CENTER OF EUROPE AND EXERCISED PRIMARY RESPONSIBILITY IN WESTERN EUROPE FOR MANAGING THE COMPLEX PROBLEMS OF INTERNATIONAL TRADE AND FINANCE. EVENTUALLY, THE WEST GERMANS ARE LIKELY TO VENTURE OUT OF THE CONFINES WHERE THEY HAVE BEEN OPERATING FOR THE PAST 20 YEARS, ALMOST AS IF THEY WERE SUBJECTS IN

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A LABORATORY EXPERIMENT, UNDER THE CONTROL OF OUTSIDE FORCES.

61. AS THE WEST GERMANS COME TO ACCEPT MORE OPENLY THAT THE ECONOMIC GIANT CANNOT INDEFINITELY REMAIN A POLITICAL DWARF, THEY WILL NATURALLY BECOME MORE OUTSPOKEN AND EVEN DEMANDING ABOUT THEIR INTERESTS, SEPARATE OR SHARED. THE

VIRTUALLY UNANIMOUS WEST GERMAN DISMISSAL OF FRENCH, DUTCH, AND SWEDISH CRITICISM OF FRG LEGISLATION ON EMPLOYMENT GUIDELINES FOR THE GOVERNMENT SERVICE EXPRESSED A "NATIONAL TONE" THAT MOST WEST GERMANS COULD IDENTIFY WITH. THE CDU/CSU ELECTION PROGRAM REFLECTS THE SAME MOOD AT A NUMBER OF POINTS, AND THE PARTY PLEDGES MORE LAW AND ORDER, REGARDLESS OF FOREIGN INNUENDOES ABOUT THE "UGLY GERMAN" OR THE NAZI PAST. A KOHL-STRAUSS GOVERNMENT RULING WITH ONLY A NARROW PARLIAMENTARY MAJORITY MIGHT EVEN FIND ITSELF OCCASIONALLY PUSHED BY OPPOSITION DEMANDS TO DEFEND NATIONAL INTERESTS MORE STOUTLY.

62. A CDU/CSU GOVERNMENT, IN ADJUSTING TO A FULLER POWER ROLE, WOULD NOT WANT TO UNHINGE ANY ESSENTIAL PORTION OF THE WESTERN DIPLOMATIC OR SECURITY STRUCTURE, OR GET TOO FAR OUT IN FRONT OF ITS ALLIES ON ISSUES OF COMMON INTEREST. BUT WITH AN INCREASED WILLINGNESS TO EXERT LEVERAGE AND TO CARRY GREATER WEIGHT IN JOINT POLICYMAKING, THE NEW GOVERNMENT WOULD BE VIRTUALLY CERTAIN TO DISTURB AND DISCOMFIT OTHERS--PERHAPS THE FRENCH AGAIN, IN SOME DISPUTE OVER COMMUNITY POLICY, OR EVEN THE US, AS IN THE PERENNIALLY UNSETLED QUESTIONS OF THE FEDERAL PRESENCE IN WEST BERLIN AND NUCLEAR EXPORT GUIDELINES.

63. ALTHOUGH A GROWING GERMAN ACTIVISM MIGHT GENERATE SOME INCREASE IN DIFFERENCES WITH THE US, THE FRG MIGHT ALSO BE IN A POSITION TO ACT AS A MORE EFFECTIVE EXPONENT OF WESTERN POSITIONS IN INTERNATIONAL DISPUTES THAN IN THE PAST. END TEXT. ROBINSON

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